FRED AGUIAR Secretary State and Consumer Services Agency Chairperson JOHN CHIANG State Controller

Board Member MICHAEL A. RAMOS

San Bernardino County District Attorney Board Member

JULIE NAUMAN **Executive Officer**

Memorandum

Date: September 8, 2009

To:

All State Agencies

From:

lackie Tinetti, Government Claims Manager

Subject: Change in Government Code for Discharge from Accountability from

\$250 or Less to \$500 or Less

The purpose of this memorandum is to communicate an important change, to the Discharge from Accountability provision of the Government Code. Effective July 28, 2009, Section 13943.2 of the Government Code now authorizes state agencies to seek authority from the Victim Compensation and Government Claims Program (VCGCB) to discharge from accountability debts owed of \$500.00 or less. The previous limit was \$250.00 or less. If your agency wishes to apply for this higher approval amount, you must submit a request, containing the following certification to the VCGCB.

- The agency will attempt to collect debts in accordance with the procedures outlined in S.A.M. Section 8776.6 and will document its collection efforts.
- The agency will only discharge those debts of \$500 or less which it has determined are uncollectible or the estimated cost of their collection will likely exceed the amount due, and it will not be cost effective to continue to pursue collection.
- The agency understands that the discharge from accountability does not release the debtor from the debt owed to the State.

Please note that there is no application form specifically established for this purpose, and that individual accounts amounting to less than \$500 need not be submitted for approval. Each agency granted written authorization by the VCGCB's Executive Officer is responsible for notifying its personnel of the blanket authorization and its conditions. An agency that has an approved request on record with the VCGCB, may apply this authorization to its individual boards, bureaus, commissions, programs, or regional accounting offices.

In addition to the requested certifications, your memorandum or letter of request should include the authorizing signature of your agency's fiscal, budget, or accounting

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officer, and should be addressed to Attention: Jackie Tinetti, Program Manager, Government Claims Program, P.O. Box 3035, Sacramento, CA 95811.

If you have questions or need additional information regarding this matter, please contact Elizabeth Fernandez, Staff Services Analyst, Government Claims Program, at (916) 491-3746.